



FORGERY, common scheme, a felony in violation of Section 45-6-325(a). The facts showing probable cause to file the Information are set forth below.

On November 1, 2011, the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), received a request for assistance from Detective Sharman Rask of the Butte-Silver Bow Law Enforcement Department. Pursuant to this request, CSI Investigator Neil Brunett conducted an investigation into the affairs of JEREMY HOSCHEID, an appointed insurance agent with Farm Bureau Financial Services (Farm Bureau). Investigator Brunett's investigation revealed the following:

Farm Bureau appointed HOSCHEID to operate its Butte satellite office prior to 2011. HOSCHEID'S duties included selling new insurance policies, renewing existing policies, collecting premium on such policies, and forwarding the collected premium to Farm Bureau. Premium was typically paid by check or credit card, though occasionally people paid cash.

On or about November 10, 2010, Farm Bureau customer L.M. entered the Butte office and paid \$192.60 cash in accordance with his quarterly payment plan. HOSCHEID wrote L.M. a receipt for the cash payment, but never forwarded the cash payment to Farm Bureau. Farm Bureau terminated L.M.'s policy on November 20, 2010, for nonpayment of premium. L.M. was never made aware of this cancellation. When L.M. made his next two payments, he did so by check and HOSCHEID duly forwarded the money to Farm Bureau and his policy was reinstated. However, on or about August 1, 2011, L.M. again made a cash payment in the amount of \$180.25. Again, HOSCHEID wrote L.M. a receipt, but failed to forward the money to Farm Bureau. On August 18, 2011, L.M.'s policy was again cancelled by Farm Bureau for nonpayment. L.M. was not informed of this and was, therefore, operating his vehicle without liability protection until he made his next

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quarterly payment on November 16, 2011.

On or about January 22, 2011, R.W. and L.W. tendered a cash payment of \$372.90 to HOSCHEID in order to pay their scheduled auto premium. HOSCHEID initialed the payment information, indicating their policy was paid. The money was never forwarded to Farm Bureau. Farm Bureau subsequently cancelled R.W. and L.W. for nonpayment. R.W. and L.W. were not made aware of this cancellation and were, therefore, operating their vehicles without liability protection until they made their next payment.

On or about April 12, 2011, M.F. gave \$216.00 cash to HOSCHEID in order to pay her auto insurance premium for a vehicle which had a lien on it. HOSCHEID never forwarded the money to Farm Bureau and never told M.F. that he did not send the money to Farm Bureau. A judicial review of M.F.'s lien indicated there was no coverage on the car and M.F. was ordered to procure insurance elsewhere.

On or about June 15, 2011, L.H., contacted his nephew, HOSCHEID, to procure coverage for his automobiles. L.H. signed a blank check to HOSCHEID, a check which was to go to Farm Bureau once HOSCHEID had determined L.H.'s payment schedule. However, HOSCHEID issued the check to himself in the amount of \$250.00. HOSCHEID then provided L.H. with two proof of insurance cards, making it appear as though there was insurance coverage on the vehicles through Farm Bureau. HOSCHEID never forwarded the money to Farm Bureau. L.H. was not aware the money was not forwarded and, therefore, operated his vehicles without liability insurance. L.H. carried with him ineffective proof of insurance cards as a result of HOSCHEID's actions.

On or about August 1, 2011, C.M. issued a cashier's check on behalf of her daughter N.R. to Farm Bureau for a life insurance policy. The check was in the amount of \$6,067.43. As C.M.'s

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personal insurance agent, HOSCHEID received the cashier's check. However, he did not forward it to Farm Bureau as he usually did with checks. Instead, he signed on behalf of the company and deposited it into a separate account. That separate account was an unapproved Farm Bureau account at Southwest Community Federal Credit Union in Anaconda, Montana, set up by HOSCHEID. Farm Bureau was not aware of the account and HOSCHEID never forwarded the money to Farm Bureau, nor did he tell C.M. he had not forwarded the money as instructed.

N.R.'s insurance never went into force. When C.M. discovered the problem, she reported it to Farm Bureau. A Farm Bureau review of C.M.'s account showed previous payments had been made in an untimely fashion as well and that her farm and ranch coverage had been cancelled and renewed several times since HOSCHEID had taken over the account. In periods when the policy was cancelled, C.M. did not have farm and ranch coverage.

From September 2011 to October 2011, Farm Bureau conducted an audit of HOSCHEID's dealings. Farm Bureau discovered the above-detailed transactions and reported them to law enforcement. Farm Bureau also paid premium on behalf of the people whose money HOSCHEID had misappropriated, a total amount of \$1,201.23. Investigator Brunett interviewed all persons involved, including HOSCHEID. In a taped confession, HOSCHEID admitted to taking the cash money from L.M., R.W. and L.W, and M.F. (although he disputed the amount M.F. actually gave him, claiming it was only \$121.00). He also admitted to setting up the second bank account at Southwest Community Federal Credit Union. He admitted to taking the cash money for his personal use and not forwarding it on to Farm Bureau. He further admitted to withdrawing all the money from the Southwest Community Federal Credit Union account for his own personal use.

In HOSCHEID's taped confession, he stated the aforementioned transactions were the sum

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of his misdeeds. However, later investigation revealed L.H. had also given HOSCHEID money for insurance when, in fact, no insurance was provided.

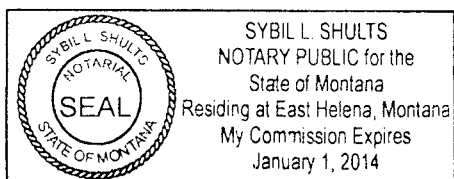
Based on the foregoing facts, the Butte-Silver Bow County Attorney's Office seeks leave of Court to file an Information charging the Defendant, JEREMY HOSCHEID, with the offenses set forth above.

DONE and DATED this 4<sup>th</sup> day of April, 2012.

EILEEN JOYCE  
COUNTY ATTORNEY

BY *[Signature]*  
BRETT O'NEIL  
SPECIAL DEPUTY COUNTY ATTORNEY

SUBSCRIBED and SWORN to before me this 4<sup>th</sup> day of April, 2012, by Brett O'Neil.



*[Signature]*  
PRINTED NAME \_\_\_\_\_  
NOTARY PUBLIC FOR THE STATE OF MONTANA  
RESIDING AT HELENA, MONTANA  
MY COMMISSION EXPIRES \_\_\_\_\_

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